



## Nahar Capital and Financial Services Limited

	Amount	Rating Action
Short Term Debt/Commercial Paper Programme	Rs. 25 crore	[ICRA]A1 reaffirmed

ICRA has reaffirmed the [ICRA] A1 (pronounced A one) rating to the proposed Rs. 25 crore Short Term Debt/Commercial Paper Programme of Nahar Capital and Financial Services Limited (NCFSL).<sup>†</sup>

The rating factors in low credit risk nature of NCFSL's operations (the company is primarily an investment company with strategic investments in Nahar Group and investments in equity and mutual funds), its comfortable liquidity profile and large liquid investments<sup>†</sup> (Rs. 233 crore as on January 31, 2015 in relation to its proposed low debt levels. ICRA takes comfort from the fact NCFSL would keep its debt levels low and would always keep the requisite level of liquid investments to service the debt in case of need.

ICRA has also taken note, that the company has a small credit portfolio to suppliers of Nahar Spinning Mills. As for liquidity, it is comfortable with a sizeable amount of liquid investments in equity and mutual funds, (Rs. 233 crore as on January 31, 2015), which can be liquidated in case of need.

### About the Company

Nahar Capital and Financial Services were incorporated on 1st April 2006 where it took over the investment business of Nahar Spinning Mills Limited (NSML). The company is engaged in investment activities, and invests in mutual funds, equity shares etc. The company earned a Profit after Tax (PAT) of Rs 21.98 crore on a total income of Rs. 29.53 crore in FY2014. The net worth of the company was Rs. 482.00 crore as on March 31, 2014. For the nine months ended December 2014, the company reported a Profit after Tax of Rs. 13.38 crore on a total income of Rs 18.45 crore in 9MFY2015. Key Group companies are Nahar Industrial Enterprises Limited (NIEL), Nahar Spinning Mills Limited (NSML) and Oswal Woollen Mills Limited (OWM), Cotton County Retail Limited, Nahar Poly Films, Monte Carlo Fashions Limited.

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\* 100 lakh = 1 crore = 10 million

† For complete rating scale and definitions please refer to ICRA's Website [www.icra.in](http://www.icra.in) or other ICRA Rating Publications

† Excluding strategic and unquoted investments



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